

COMPENSATION FOR SURVIVORS OF U.S. MILITARY PERSONNEL

Grafenwoehr Law Center—As uncomfortable as the subject may be, family members of American soldiers can at least rest assured that the government will take care of them in the event of a soldier's death on active service, whether his death be in time of war or peace, in combat or accidental, in a theater of operations or a training area. A summary of these benefits is set out below.

Death Gratuity: A \$6,000 death gratuity provides immediate cash to meet the needs of survivors.

Government Housing or Allowances and Relocation Assistance: Survivors are provided rent-free government housing for 180 days or tax-free Basic Allowance for Housing (BAH) for any part of the 180-day period while not in quarters. Survivors are also entitled to transportation, per diem, and shipment of household goods and baggage.

Burial Costs: The Government will reimburse up to \$6,900 of expenses for the soldier's burial and will provide travel for next-of-kin under invitational travel orders.

Unused Leave: Payment is made to the survivor for all the soldier's unused accrued leave.

Servicemen's Group Life Insurance (SGLI): Soldiers are automatically insured for \$250,000 through the SGLI program unless they choose to opt for less coverage or no coverage. Soldiers should ensure that information on SGLI and Record of Emergency Data (DD 93) forms is complete and current!

- Without SGLI, many soldiers could not obtain life insurance because of their age or military assignments. Several private insurers will not insure persons in high-risk groups or pay for combat-related death. SGLI has one affordable premium rate for all soldiers, regardless of rank, giving them an opportunity to provide for their survivors.
- Costs attributable to the extra hazard of duty in the uniformed services are paid by the Military Departments whenever death rates exceed normal peacetime death rates as determined by the Secretary of Veterans' Affairs. Retirees may retain their SGLI level of coverage or less under the Veterans Group Life Insurance (VGLI) program.

Dependency and Indemnity Compensation (DIC): The Department of Veterans' Affairs (DVA) pays a tax-free monthly amount to an unmarried surviving spouse of a soldier who dies on active duty or from a service-connected disability. The basic spouse DIC is a flat-rate annuity of \$948 per month.

- An additional \$237 is paid for each dependent child until age 18. The law provides for additional amounts to meet specific needs.
- A surviving 30-year-old spouse with a life expectancy of 80 years may receive DIC benefits of more than \$500,000 based on current rates. The total could be substantially more when young children are also eligible for benefits. This applies to retirees if the death qualifies as service-connected.

Uniformed Services Survivor Benefit Plan (SBP): Eligible spouses and children of soldiers may also be entitled to monthly payments under the SBP.

- A surviving spouse (children are entitled if there is no surviving spouse or the spouse later dies) of a soldier who dies on active duty is entitled to SBP. The annuity is 55% of retired pay while under age 62 and 35% while age 62 and older.
- The retired pay is determined as the benefit that would have been payable to the soldier had that soldier been retired on total disability on the date of death. For the surviving spouse of a retiree, the annuity amount while under age 62 is equal to 55 percent of the retired pay. When the spouse is age 62, the benefit is reduced to 35 percent.
- The law offsets a spouse's DIC entitlement from SBP. A surviving spouse may thus receive the full DIC plus that part of the SBP entitlement that exceeds the DIC payment. A spouse loses entitlement to SBP if remarried under age 55, but may be reinstated if that marriage ends through death or divorce.

VA Education Benefits: The surviving spouse and dependents may also qualify for up to 45 months of full-time education benefits from the VA.

Social Security: Death benefits are provided for a spouse caring for the soldier's dependent children under age 16, a surviving spouse during old age, and for eligible minor children of an insured soldier. Benefits depend upon the family status of the deceased soldier and are the same as for the family of any deceased civilian worker insured under the same circumstances.

- Monthly entitlement is a percentage of the deceased soldier's Primary Insurance Amount (PIA). The full PIA is paid to a surviving spouse who begins payments at age 65. Reduced amounts are payable as early as age 60.
- The parent's and children's benefit is 75 percent of the PIA, subject to a family maximum. Retirees qualify to the extent they had covered wages during their uniformed service.

Health Care: An un-remarried surviving spouse and minor dependents of the soldier are eligible for space-available medical care at military medical facilities or are covered by TRICARE/CHAMPUS (MEDICARE after age 65). Dental insurance coverage and full TRICARE/CHAMPUS are extended for three years after the soldier's death.

- TRICARE is a second-payer to MEDICARE for retirees over age 64. Beneficiaries will pay no enrollment fees, co-pays, or deductibles.
- A Senior Pharmacy Program has also been established by expanding the DoD mail-order and network pharmacy program to cover retirees and their family members over the age of 64.
- Families of retirees retain their medical coverage so long as a spouse has not remarried.

Commissary and Exchange Privileges: The unmarried surviving spouse and qualified unmarried dependents are eligible to shop at military commissaries and exchanges, normally providing a savings over similar goods sold in private commercial establishments. Families of retirees retain their privileges so long as a spouse is not remarried.

Tax Benefit: The next-of-kin of a soldier whose death occurs overseas in a terrorist or military action is exempt from paying the decedent's income tax for at least the year in which the death occurred. Payments made by the VA are tax-exempt.